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August 27, 2001

Utah Coal Regulatory Program
Division of Oil, Gas and Mining
1594 North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Attention: Daron Haddock
Permit Supervisor

FAX PFD
Exploration
Drilling
8/15/01
Copy Folder

**RE: MILL FORK CANYON/JOES VALLEY SURFACE DRILLING
MODIFICATION REQUEST; UTAH STATE COAL LEASES ML-48258;
PACIFICORP, MILL FORK CANYON, EMERY COUNTY, UTAH**

PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company ("Energy West") as mine operator, hereby submits three (3) copies of the Mill Fork Lease ML-48258 Modification Request. Three copies of the modification have been sent to the United States Forest Service and Utah Trust Lands.

Energy West proposes to modify the approved surface exploration plan to add an additional drill hole in the southwest portion of the lease tract. The original plan included conducting a helicopter assisted minor coal exploration surface drilling program during the 2001 field season. The project was initiated on July 16, 2001 and was completed on August 13, 2001, consisting of seven (7) core holes drilled in Mill Fork Canyon/Joes Valley to analyze seam characteristics and thickness. Based upon the results of the completed program, Energy West proposes to re-drill a hole completed in September 1975 by the Utah Geological and Mineral Survey (UGMS). The UGMS drill hole is located within the current Utah State Coal Lease ML-48258, in Section 22, Township 16 South, Range 6 East, Salt Lake Base and Meridian. The drilling will occur on lands in which the surface is administered by the United States Forest Service (U.S.F.S.) and the subsurface by the State of Utah. Section 22 (Special Use Permit) and Forest Development Road 040 (Road Use Permit) are currently covered in the approved exploration plan.

The modification request is to re-drill (deepen) UGMS DH-2 located adjacent to Forest Development Road 040 (refer to map: General Location and Aerial Photograph). The area has been previously disturbed during the 1975 coal exploration program, during routine annual road maintenance and cattle grazing (refer to Site Photos).

Huntington Office: (435) 687-9821 Fax (435) 687-2695 Purchasing Fax (435) 687-9092	Deer Creek Mine: (435) 687-2317 Fax (435) 687-2285	Trail Mountain Mine: (435) 748-2140 Fax (435) 748-5125
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Consistent with the approved plan, no site preparation will be necessary, i.e., construction of roads or drill pad. Energy West will utilize the same equipment (helicopter support will not be necessary) and technique described in the approved plan. Energy West goes to great extent to minimize environmental impacts, that include; drilling technique, site selection, protecting existing vegetation with a protective cover, artificially leveling of the drill site and area restoration.

PROJECT TIMING:

Energy West proposes to initiate the drilling immediately upon regulatory approval (prior to expiration date of the Special Use & Road Use permits - October 15, 2001)

PROJECT COMPLETION DATE:

Approximately seven days will be required to complete drilling

If you require any additional information please call me at (435)687-4720.

Thank you for your assistance in this matter.

Sincerely,



Charles A. Semborski
Geology/Permitting Supervisor

Enclosures (3 copies)